



Commonwealth of Massachusetts
Group Insurance Commission

BENEFITS

**for
Life**



**RETIRED MUNICIPAL
TEACHERS LIFE
INSURANCE PLANS**

Effective July 1, 2004 to June 30, 2006

IMPORTANT INFORMATION

The insurance evidenced by this certificate provides life insurance, with an accelerated benefit option (*an accelerated payment of your death benefit*). This product is NOT a long-term care policy or nursing home insurance policy. The amount this benefit pays may not be enough to cover your medical, nursing home or other bills. You may use the money you receive from this benefit for any purpose.

Accelerated benefits (*see page 4*) paid under this certificate may be taxable and assistance should be sought from a personal tax advisor.

Receipt of accelerated benefits MAY AFFECT MEDICAID AND SUPPLEMENTAL SECURITY INCOME ("SSI") eligibility. The mere fact that this certificate contains an accelerated benefit may affect your eligibility for these government programs. In addition, exercising the option to accelerate death benefits and receiving those benefits before you apply for those programs, or while you are receiving government benefits, may affect your initial or continued eligibility. Contact the Medicaid Unit of your local Division of Medical Assistance and the Social Security Administration for more information.

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* New benefits as of July 1, 2001 (*Be sure to read!*)

FOREWORD

The information contained in this booklet is a summary of your Life and Accidental Death & Dismemberment benefits available through Unum Life Insurance Company of America, (Unum), and the Group Insurance Commission, to you as a Retired Municipal Teacher (RMT).

This booklet and certificate are designed to help you understand your Life and Accidental Death & Dismemberment benefits. It describes how to put each of these benefits to work for you and your family. We urge you to read it carefully, share it with your family, and then keep it in a safe place.

**ELIGIBILITY, PARTICIPATION
AND EFFECTIVE DATE**

You are eligible for this insurance as a retired teacher as defined under the Massachusetts General Laws in Chapter 32B, Section 11E. The Group Insurance Commission determines the effective date of coverage for each applicant.

The amount of life insurance coverage available to retired teachers is determined by the municipality of the retired teacher. Amounts of life insurance vary among municipalities. The amount of life insurance you carry is contained in this booklet.

SCHEDULE OF BENEFITS

Coverage for Retired Municipal Teachers underwritten by Unum Life Insurance Company of America.



LIFE

\$1,000

**ACCIDENTAL DEATH &
DISMEMBERMENT BENEFITS**

None

OR



LIFE

\$2,000

**ACCIDENTAL DEATH &
DISMEMBERMENT BENEFITS**

\$2,000

OR



LIFE

Amount determined by
governmental unit

**ACCIDENTAL DEATH &
DISMEMBERMENT BENEFITS**

Amount determined by
governmental unit

HOW YOUR LIFE INSURANCE PROGRAM WORKS

If you should die while insured under this program, the insurance company will pay your beneficiary(ies) the entire amount of life insurance in force after it receives certification of death. If you are serving on a military leave of absence, no benefits will be paid if your death is caused by war (*whether or not it is a declared war*), combat, or any act of war.

TERMINAL ILLNESS BENEFIT

If you become terminally ill while you are insured by the Plan, Unum will pay you a portion of your life insurance benefit one time. You may choose between 25% and 75% of your life insurance amount.

Your right to exercise this option and to receive payment is subject to the following:

- you request this election, in writing, to the Policyholder on a form acceptable to Unum;
- you must be terminally ill at the time of payment of the Accelerated Benefit;
- your doctor must certify, in writing, that you are terminally ill and your life expectancy has been reduced to 24 months or less; and
- the doctor's certification must be deemed satisfactory to Unum.

Premium payments must continue to be paid on the full amount of life insurance, unless you qualify to have your life premium waived.

If you have assigned your rights under the Plan to an assignee or made an irrevocable beneficiary designation, Unum must receive consent, in writing, that the assignee or irrevocable beneficiary has agreed to the Accelerated Benefit payment on your behalf in a form acceptable to Unum before benefits are payable.

An election to receive an Accelerated Benefit will have the following effect on other benefits:

- the death benefit payable will be reduced by any amount of Accelerated Benefit that has been paid; and
- any amount of life insurance that would be continued under a disability continuation provision or that may be available under the conversion privilege, will be reduced by the amount of the Accelerated Benefit paid. The remaining life insurance amount will be paid according to the terms of the Summary of Benefits, subject to any reduction and termination provisions.

When an Accelerated Benefit payment is made, your life insurance will be reduced by that amount. You will receive a statement showing the remaining amount of life insurance along with the Accelerated Benefit payment.

Benefits paid may be taxable. Unum is not responsible for any tax or other effects of any benefit paid. As with all tax matters, you should consult your personal tax advisor to assess the impact of this benefit.

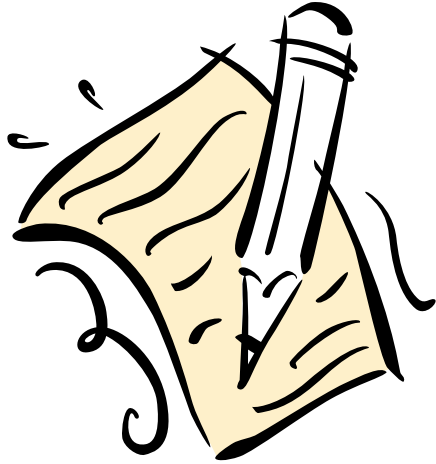
METHOD OF CLAIM PAYMENT FOR LIFE INSURANCE

The Group Insurance Commission (GIC) wants to make payment to your beneficiary as soon as possible when you die. For that reason, we ask that a family member or a close friend contact the Group Insurance Commission as soon as possible. A certified death certificate and the current address of the beneficiary should then be sent to the GIC so that the claim can be processed. The insurance company will then mail payment to your beneficiary.

ENROLLEE CONTRIBUTIONS

Your contribution is a controlled rate of monthly premium which is determined by the Group Insurance Commission. This only represents a portion of the total monthly cost. The remaining percent of the premium is contributed by your local governmental unit.

As an eligible retiree, your share of the monthly cost will be deducted from your pension check one month in advance of the premium due date.



ACCIDENTAL DEATH & DISMEMBERMENT BENEFITS

If you are insured for \$2,000 or more of life insurance, the Plan also provides the following benefits to you in the event you are injured or die as a result of an accident while insured (*subject to the specifications and limitations listed below*):

COVERED LOSSES	BENEFIT AMOUNTS
Life	The Full Amount
Both Hands or Both Feet or Sight of Both Eyes	The Full Amount
One Hand and One Foot	The Full Amount
One Hand and Sight of One Eye	The Full Amount
One Foot and Sight of One Eye	The Full Amount
Speech and Hearing in both ears (<i>Applies only to losses incurred on or after 7/1/2001</i>)	The Full Amount
One Hand or One Foot	One-Half of the Full Amount
Sight of One Eye	One-Half of the Full Amount
Speech or Hearing in both ears (<i>Applies only to losses incurred on or after 7/1/2001</i>)	One-Half of the Full Amount
Thumb and Index Finger of Same Hand (<i>Applies only to losses incurred on or after 7/1/2001</i>)	One-Quarter of the Full Amount
Quadriplegia	The Full Amount
Paraplegia (<i>For losses incurred on or after 7/1/2001</i>) (<i>For losses incurred prior to 7/1/2001</i>)	Three-Quarters of the Full Amount One-Half of the Full Amount
Hemiplegia	One-Half of the Full Amount

The loss must be accidental.

The total amount paid for any one loss will not exceed the total amount of insurance in force.

Loss of hand or foot means complete severance at or above the wrist or ankle joint.

Loss with respect to eyes means total and irrevocable loss of sight.

Your Plan does not cover any accidental losses caused by, contributed to by, or resulting from:

- intentionally self-inflicted injury, while sane or insane.
- combat, war or any act of war, whether such war is declared or undeclared.
- physical or mental illness or infirmity.
- ptomaine; any kind of poisoning while sane or insane, whether voluntary or otherwise.
- bacterial infection other than that occurring in connection with, or in consequence of, accidental bodily injuries.
- travel or flight in any type of aircraft, except:
 - loss resulting from travel or flight as a passenger in a licensed aircraft operated by a licensed pilot on a scheduled passenger service regularly offered between specified airports by a passenger carrier duly licensed by the proper licensing authority,
 - loss resulting from travel or flight as a passenger in a chartered aircraft owned, operated and licensed to a passenger carrier who is licensed to and who offers scheduled, non-charter passenger service regularly, and provided that such chartered aircraft is operated by a licensed pilot during service between specified airports, or
 - loss resulting from travel or flight in an aircraft used, leased or operated by the Commonwealth of Massachusetts, in which the retiree is traveling in the performance of his or her duties.

Seat Belt Benefit

If you die while insured as a result of a covered accident which has occurred while driving or riding in a private passenger car, and you are protected by a properly fastened seat belt, your Accidental Death & Dismemberment (AD&D) benefit will be increased by 10% to a maximum defined by the date of your loss. This benefit is not available for RMTs insured for \$1,000.

- For losses incurred prior to 7/1/2001, the maximum benefit is \$10,000.
- For losses incurred on or after 7/1/2001, the maximum benefit is \$25,000.

The minimum benefit payable for basic and optional coverage is \$1,000.

Unum will pay you or your authorized representative an additional benefit if you sustain an accidental bodily injury which causes your death while you are driving or riding in a private passenger car, provided:

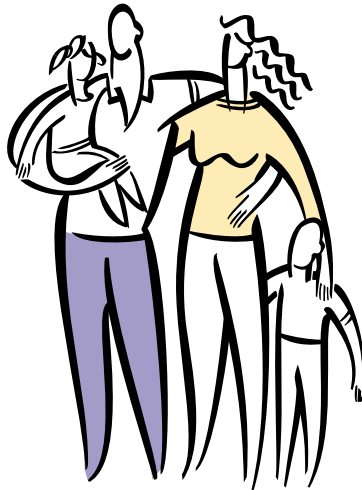
- the private passenger car is equipped with seat belt(s); and
- the seat belt(s) were in actual use and properly fastened at the time of the covered accident; and

- the position of the seat belt(s) are certified in the official report of the covered accident, or by the investigating officer. A copy of the police accident report must be submitted with the claim.

Also, if such certification is not available, and it is clear that you were properly wearing seat belt(s), then we will pay the additional Seat Belt Benefit.

However, if such certification is not available, and it is unclear whether you were properly wearing seat belt(s), then we will pay a fixed benefit of \$1,000.

For the purposes of this benefit, a private passenger car means a validly registered four-wheel private passenger car (*including policyholder-owned cars*), station wagons, jeeps, pick-up trucks, and vans that are used only as private passenger cars.



Air Bag Benefit
(Effective for losses incurred on or after 7/1/2001)

If you die while insured as a result of a covered accident that has occurred while driving or riding in a private passenger car, and you are protected by a properly fastened seat belt, your Accidental Death & Dismemberment (AD&D) benefit will be \$5,000 if:

- the private passenger car is equipped with a single air bag and you are the driver; or
- the private passenger car is equipped with an air bag for both the driver and an air bag for the front passenger seat and you are the driver or front seat passenger; or

- the private passenger car is equipped with an air bag for the driver seat, air bag for front passenger seat and air bags for rear passenger seats and you are the driver, front seat passenger or rear seat passenger; and
- the seat belt(s) must be in actual use and properly fastened at the time of the covered accident.

No benefit will be paid if you are the driver of the private passenger car and do not hold a current and valid driver's license.

For the purposes of this benefit, a private passenger car means a validly registered four-wheel private passenger car (*including policyholder-owned cars*), station wagons, jeeps, pick-up trucks, and vans that are used only as private passenger cars.

Example:
Retiree dies in accident with seat belt and air bag

Basic Life:	\$5,000
Basic AD&D:	\$5,000
Seat belt: Basic 10% of \$5,000 = (<i>minimum benefit is \$1,000</i>)	\$1,000
Air bag: Basic \$5,000 =	\$5,000
TOTAL BENEFIT:	\$16,000

Paralysis Benefit

In the event of bodily injuries that occur while you are insured under the Accidental Death & Dismemberment policy, and as a result of such injuries paralysis occurs within one year of the date of the covered accident, this policy will pay benefits as follows:

- **Quadriplegia (*total paralysis of upper and lower limbs*)** – The full AD&D benefit amount.
- **Paraplegia (*total paralysis of lower limbs*)** –
 - For losses incurred prior to 7/1/2001 – One-half of the AD&D benefit amount.
 - For losses incurred on or after 7/1/2001 – Three-quarters of the AD&D benefit amount.
- **Hemiplegia (*total paralysis of upper and lower limbs on one side of the body*)** – One-half of the AD&D benefit amount.

Coma Benefit

(Effective for losses incurred on or after 7/1/2001)

Unum will pay the full amount of the employee's Accidental Death & Dismemberment benefit to your beneficiary, in accordance with your beneficiary designation, if you sustain an injury which, independent of all other causes, directly results in your being in a coma. A doctor must certify that the coma is permanent and irreversible and the certification must be deemed satisfactory to Unum.

The Waiting Period for the coma benefit is 31 days from the date you become comatose for which no coma benefits are payable.

Payment of this benefit will reduce your total AD&D benefit.

Brain Damage Benefit

(Effective for losses incurred on or after 7/1/2001)

Unum will pay the full amount of the employee's Accidental Death & Dismemberment benefit to your beneficiary, in accordance with your beneficiary designation, if you sustain an injury which, independent of all other causes, directly results in traumatic brain injury causing brain damage. The benefit will be payable if:

- the brain damage begins within 60 days of the injury; and
- the brain damage continues for 12 consecutive months; and
- a doctor must certify the brain damage is permanent and irreversible at the end of the 12 consecutive months, and the certification must be deemed satisfactory to Unum.

We will pay this benefit in one lump sum during the 13th month following the date of the injury, contingent upon the above conditions being met.

Payment of this benefit, plus any other benefits payable as a result of the same accident, will not exceed the full AD&D benefit the Insured is eligible to receive under this policy.

Rehabilitation Physical Therapy Benefit *(Effective for losses incurred on or after 7/1/2001)*

Unum will pay an additional benefit for rehabilitative physical therapy that is prescribed by the attending doctor if you sustain an injury which causes a dismemberment loss, or while the Insured is eligible for a Paralysis Benefit. Your Accidental Death & Dismemberment (AD&D) benefit will be increased by 10%, up to a maximum of \$10,000.

The Rehabilitation Physical Therapy Benefit is separate from any Accidental Death & Dismemberment benefit which may be payable.

CLAIM PROCEDURE FOR ACCIDENTAL DEATH & DISMEMBERMENT BENEFITS

When Notice of Claim and Proof of Loss Must be Given

A claim form for Dismemberment benefits must be sent to the Group Insurance Commission. Written proof of a claim must be sent to the Group Insurance Commission no later than 365 days of the date of the loss. The benefit will be paid only if the accident results in one or more losses within 365 days from the date of the accident. Also, the accident must occur while you are insured under the Plan.

Claim Procedure for Accidental Death Benefit

All deaths whether natural or accidental follow the procedures

listed under the section titled "Method of Claim Payment for Life Insurance" on page 5.

Claim Forms

When the Group Insurance Commission receives written notice of a claim, it may furnish printed forms for filing proof of the claim. If it does not furnish printed forms within 15 days of your giving notice, you must furnish your own proof in writing.

Time Limits for Legal Proceedings

You or your authorized representative can start legal action regarding a claim 60 days after proof of claim has been given and up to 3 years from the time proof of claim is required, unless otherwise provided under federal law.

Medical Examination

While a dismemberment claim is pending, the insurance company, at its expense, has the right to have you examined by doctors of its choice when and as often as the insurance company reasonably chooses.



NAMING YOUR BENEFICIARY

When you become insured, you must name someone as your beneficiary to receive your life insurance proceeds. You may name more than one person and determine the proportion each person is to receive. If more than one beneficiary is named and you do not designate their order or share of payments, the beneficiaries will share equally. The share of a beneficiary who dies before you, or the share of a beneficiary who is disqualified, will pass to any surviving beneficiaries in the order you designated.

You may change your beneficiary at any time. Retirees must notify the Commission in writing. If you do not name a beneficiary, or if all named beneficiaries do not survive you, or if your named beneficiary is disqualified, your death benefit will be paid to the first surviving family members of the family members in the order listed below:

- spouse;
- child or children;
- mother or father;
- sisters or brothers;
- estate; or
- if none, to the person or persons determined to be entitled thereto under the laws of the Commonwealth of Massachusetts.

Beneficiary information is treated as confidential. An Insured can confirm his or her beneficiary information by writing to the GIC.

If any person otherwise entitled to payment does not make a claim for payment within one year of the death of the retiree, payment may be made by order of precedence as if such person had died before the insured.

ASSIGNMENT OF LIFE INSURANCE

Your Life and Accidental Death & Dismemberment Insurance generally cannot be transferred or reassigned. It is exempt from claims of your creditors or those of your beneficiary, to the extent allowed by law.

In certain situations, you may assign all ownership of your insurance, including your right to convert, provided you follow the required rules and regulations of the GIC. A copy of the assignment form must be received and acknowledged by the GIC before your insurance can be assigned to another party.

It is important to note that the GIC and the insurance company are not responsible for the validity of these assignments.

WAIVER OF PREMIUM DUE TO DISABILITY

If, prior to age 60, you become disabled while insured, your Basic Life Insurance may be continued without further cost to you. The insurance company and the GIC must receive your application for Waiver of Premium and accept proof of disability and the fact that disability continues. Your premium payments must remain paid until the Waiver is approved, and you must submit proof of the disability that satisfies the insurance company within two years of its occurrence.

The amount of insurance in effect on the date the claim is made is the amount that will be continued under this Waiver provision. Upon approval of the Waiver of Premium, your Accidental Death & Dismemberment benefit will be discontinued.

You are disabled when Unum determines that, due to an injury or sickness, you are unable to perform the duties of any gainful occupation for which you are reasonably fitted by training, education or experience.

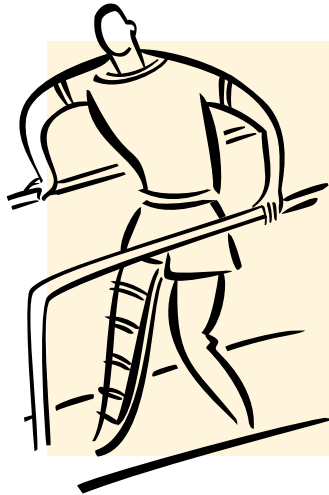
Without regard to other causes, disability will be acknowledged and recognized to exist if the retiree has suffered:

- the entire and irrecoverable loss of sight of both eyes;

- loss by severance of both hands through or above the wrists;
- loss by severance of both feet through or above the ankles;
- loss of one hand through and above the wrist and one foot through and above the ankle.

The loss of a professional or occupational license or certification does not, in itself, constitute disability.

We may require you to be examined by a doctor, other medical practitioner or vocational expert of our choice. Unum will pay for this examination. We can require an examination as often as it is reasonable to do so. We may also require you to be interviewed by an authorized Unum Representative.



TERMINATION OF INSURANCE

CANCELLATION PROVISIONS

You may cancel your Life and Accidental Death & Dismemberment Insurance (*if applicable*). You must provide written notice to the Group Insurance Commission that you wish to withdraw from your insurance coverage. Your coverage will be canceled at the end of the month for which contributions are paid. Coverage will be reinstated only with the approval of the GIC.

CONVERSION COVERAGE

If your life insurance ends because of withdrawal of the school district and not because of non-payment of contribution, you may convert the amount of life insurance in effect to a type of individual life policy (*except term insurance or a policy that contains disability or accidental death benefits*). No medical exam is required.

You must file the appropriate form within 31 days of the date on which your group life insurance coverage ends or within 15 days of the date the notice of conversion right is sent to you.

Unum will provide you a conversion application form, instructions and cost information.

It is important to remember that even if the conversion notice is not sent within 90 days of when your coverage ends, the conversion privilege will expire at the end of the 90-day period.

GENERAL EXPIRATION PROVISIONS

Your insurance under this group plan will end on the earliest of the following dates:

- The effective date of your notice of withdrawal from the insurance filed with the GIC.
- The date of termination of the group policy without continuation of your insurance, under a successor group policy.
- The last day of the month for which your premium has been paid.

Your Accidental Death & Dismemberment coverage will end on the date you are approved for Life Waiver of Premium.

LIFEBALANCE® PROGRAM



All GIC enrollees who have Basic Life Insurance have access to Unum's LifeBalance program. LifeBalance is a one-stop resource that offers consultation, information, and personalized community referrals available 24 hours a day, 7 days a week for you and your family members. Access is made through the program's hotline:

1-800-854-1446

or program's Web site:

www.lifebalance.net

(ID: lifebalance; Password: lifebalance).

You receive unlimited telephone and on-line access to assistance for such issues as parenting and child care, emotional well-being, addiction and recovery, work issues, home repairs, nutrition, legal matters, senior care options and financial issues. Additionally, you will have access to up to three face-to-face counseling sessions per year.

NOTES:



COMMONWEALTH OF MASSACHUSETTS

Group Insurance Commission

P.O. Box 8747 ● Boston, MA 02114-8747